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DRAFT – Work In Progress

Fleet Modernization

A Proposed Concept Of Operations

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Discussion Points

- Recap CEB decision / tasker
- Overview proposed CONOPs
  - Fleet Modernization Board
    - » Products & processes
    - » Composition
  - Relation to CNO decision processes & PPBS
- Supporting details & elements

History

- **CNO's transition team identified FMP as an area needing improvement.**
  - » **Conduct a zero-based review of FMP**
  - » **Look at processes, ROI, ownership and results**
- **NRB & CEB scheduled to ensure broad top-level discussion**
  - » **N43 lead for preparation**
  - » **Substantial Fleet, SYSCOM, PEO, OPNAV and ASN RDA input**
- **NRB conducted 20 February 01**
- **CEB conducted 6 March 01**

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RECAP of CEB Decision Memo*

- **Fleets are part owners of process**
  - **Must ensure Fleets have voice in making platform capability decisions**
- **Desired end-state for FMP is a process with speed & agility**
  - **Eliminate investment waste**
  - **Compete ideas against each other**
  - **Identify & fund alts with largest ROI**
    - » **Capability, reliability, maintainability, etc.**
- **Must know where investment resources are going and what returns are realized**
- **Must identify who owns each part of process**

**** Excerpted from CNO Fleet Modernization CEB Mem***

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CEB Decision Memo Tasks*

✓ **#1 Propose a Concept of Operations**

- **Specify "Ownership of the FMP"**
  - > **Requirements Generation**
  - > **Configuration Control**
  - > **Speed**
  - > **Visibility**
    - **Investment**
    - **Product of the plan**

✓ = **Discussed in this presentation**

- **Identify current owners; recommend changes**

- **VCNO to approve CONOPS**

- **Lead to develop: OPNAV N4**
  - > **Assist: RDA; OPNAV N6, N7 & N8; CLF**

**** Excerpted from CNO Fleet Modernization CEB Mem***

CEB Decision Memo Tasks* (cont.)

#2 Provide alternatives and recommendations for improving
- **Configuration management process**
- **"speed" of the process**
- **Lead to develop: NAVSEA**
  - **> Assist: CLF; OPNAV N4, N6 & N7**

✓ **#3 Provide alternatives and recommendations for improving requirements generation process and visibility of the FMP process**
- **Lead to develop: OPNAV N4**
  - **> Assist: OPNAV N6 & N7; CLF; NAVSEA**

✓ = **Discussed in this presentation**

#4 Conduct a zero-based review of the FMP from a Fleet perspective
- **Lead to develop: CLF**
  - **> Assist: OPNAV N4, N6 & N7; NAVSEA**

** Excerpted from CNO Fleet Modernization CEB Mem*

Focus of CONOPs

- **CONOPs addresses the process for making decisions wrt Navy corporate-wide modernization investments**
- **CONOPs does not address D-30, A-19 or any other modernization "delivery process"**

Decision Process; not Delivery Process

Who seen this draft CONOPs?

- RDA
  - PDASN
  - DASN Ships
- OPNAV
  - N4
  - N4B
  - N43
  - N6B
  - N7
  - N7B
  - N70
  - N75 --
  - N76 --
  - N77 --
  - N78 --
  - N8B
  - N80B
  - N81B
  - N822
- CINCLANTFLT
  - CINC
  - DCINC
  - N8
  - N43
  - N43B
- CINCPACFLT
  - N43B
- CNR --
- COMNAVAIRPAC
- COMSUBLANT
- COMNAVSURFPAC
- NAVSEA
  - SEA 00
  - SEA 08
  - SEA 09
  - SEA 04
- NAVAIR
  - AIR
  - AIR
  - AIR
  - AIR
  - SPAWAR 00
  - SPAWAR 04
- DIR SSP
- PEO CV
- PEO S
- PEO TSC
- PEO Sub --
- PEO MIW --
- PEO EXW --
- PEO IT
- PEO T
- PEO A
- PEO CU --

Objective & Guiding Principles

- **Objective: Deliver modernization from an operational perspective**
  - Fleet initiates / proposes the "Draft Fleet Modernization Requirement" & changes thereto
  - Navy's "modernization requirement" validated through NRB / NROC process
  - Modernization plan can be changed in execution year if Fleet, Sponsors & SYSCOMs/PEOs agree
- **1st Principle: Disciplined, knowledge-based decision-making; based on**
  - Accurate, timely and ***complete visibility of :***
    - ***All resources allocated & expended***
    - Configuration of platforms and systems
    - Installation plans & schedules
    - Planned logistics support
- **2nd Principle: Operational coherence among deployers and forward forces**
  - Interoperability across platforms, functions & capabilities
    - Not limited to warfighting upgrade such as C4ISR, combat systems, or weapon systems
- **3rd Principle: Visibility to key initiatives & supporting elements**
  - Sustainment (e.g., HM&E, QOL, TOC, TMA/TMI, etc.)
  - Supportability (e.g., spares, manuals, training)
- **4th Principle: Execute in accordance with the plan**
  - Update the plan as decisions are made
  - If it isn't in the plan, it doesn't happen

Navy's Fleet Modernization Plan is approved annually by CNO.

Constructive Tension

- **Fleet (CINCs, #FLTs, TYCOMs & BG CMDRs)**
  - **Create demand**
  - **Can refuse delivery**
- **SYSCOMs, PEOs & DRPMs**
  - **Create solutions**
  - **Can refuse to deliver**

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Fleet Modernization Board

- **Chair:**
  - **Deputy CINCLANTFLT**
- **Membership:**
  - **Lead Type Commanders**
  - **SYSCOM Commanders; add DRPM SSP, & NAVSUP as appropriate**
  - **Resource Sponsors (OPNAV N2, N4, N6, & N7); N1 & CNR as appropriate**
- **Advisors:**
  - **ASN RDA DASNs & CHENG**
- **Administration & support**
  - **Budget included as part of the "FM Plan"**
  - **Resourced & executed through SYSCOMs**

USMC (HQ, SYSCOM & FMF) interfaces are TBD

PEOs interface with FM Board through SYSCOM CMDRs, resource sponsors & working group

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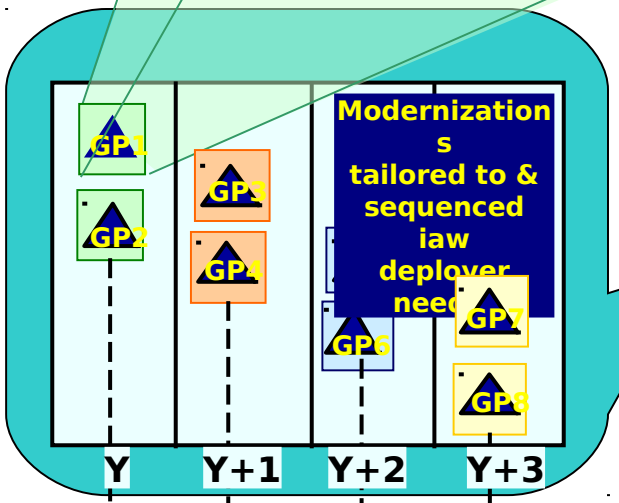
FM Board – Products & Process

Time-phased Platform Capability Line (Useful to Platform Managers)

Deployer Modernization Matrix

CVN	X		
CG	X		X
SSN	X	X	X
E2C	X	X	X
DDG	X	X	



Draft Fleet Modernization Requirement*

★★★★ **Forwarded by Fleet**

Input to CNO decision process
(i.e., NRB, NROC, R2B & CEB)

★★★ **FM Board**

Requirements for new capabilities to be documented in MNS/ORDs

The Navy's "Fleet Modernization Plan" *
•----------
Updated Annually

DLVRY To Fleet

Candidate Modernization List(s)*
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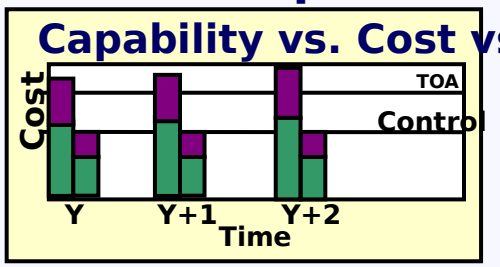
Working Groups

Membership:
- Fleet Operators
- TYCOMs
- SYSCOMs /PEOs / PMs
- Resource Sponsors
- Others

Trade Space

Capability vs. Cost vs. Time



Future Capability
Deployer Capability

* Includes plans for accomplishing modernization not directly related to deployment needs or warfare capability (e.g., HM&E, QOL, TOC, TMA/TMI, etc.)

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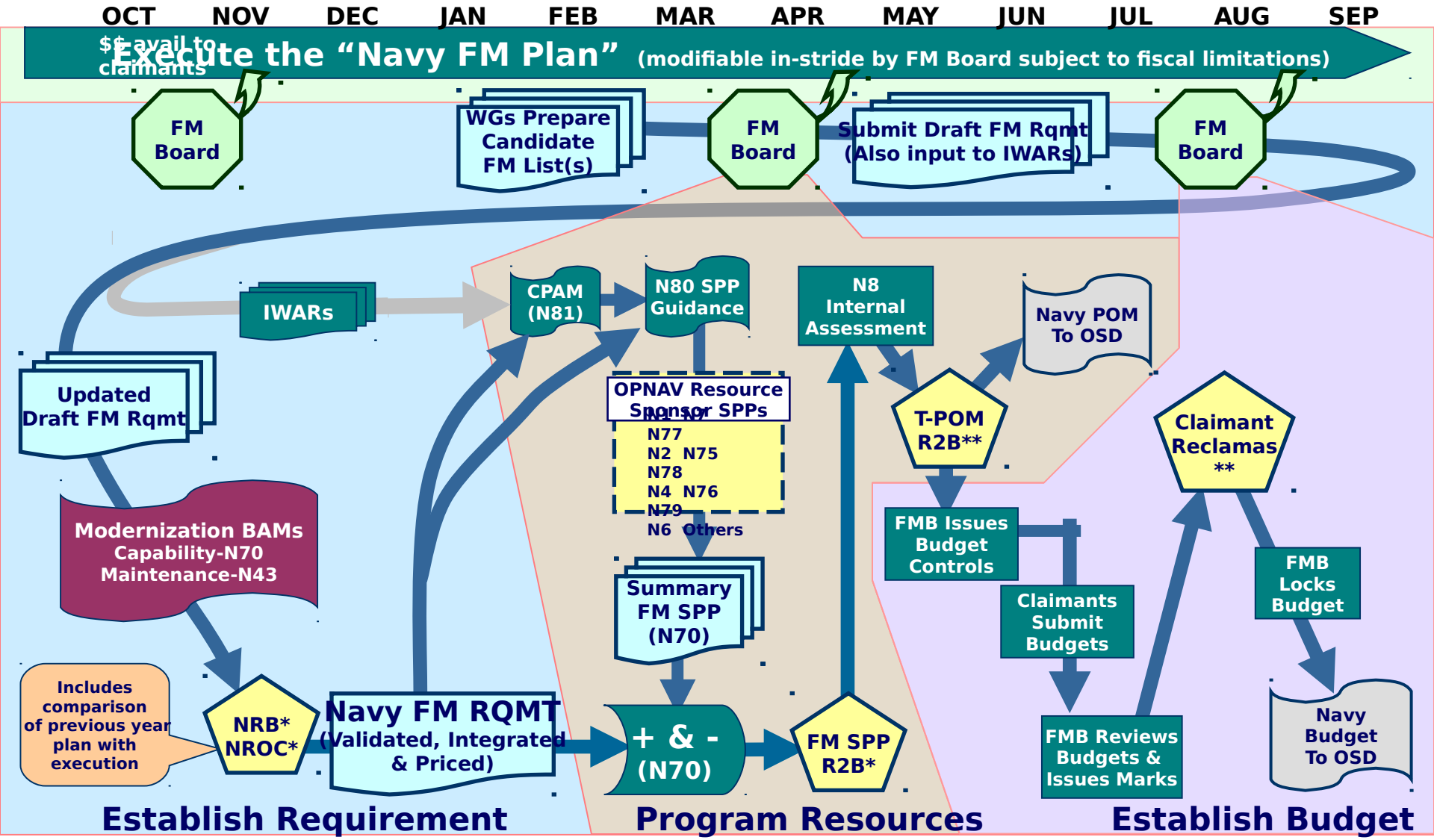
FM, PPBS & Execution

* FM Board Chair Attends
** FLTCINCs Attend



FM Board Actions

March - April……

- Conduct mid-year FM execution review
- Create / deliver Draft FM RQMT for next IWAR-BAM-POM-Budget cycle
- Review & reclama Resource Sponsor SPPs
- Prepare DCINC / CINCs for R2Bs
- Assist FM claimants to prepare execution year budgets based on FMB controls

August -

- Update Draft FM RMT for next POM-Budget cycle
- Assist FM claimants in reclamas to FMB budget marks
- Prepare CINCs for Claimant Reclama end-game
- Confirm FM execution plan for next FY

October-

- Assign Fleet Modernization - Annual Execution Plan to reflect actual funding
- Review prior-year execution and adjust next Draft FM RQMT accordingly
- Review Modernization BAMs & prepare DCINC for NRB / NROC

FM process includes:

- **All modernizations and alterations, regardless of :**
  - **Sponsor**
  - **SYSCOM, DRPM, PEO, or PM**
  - **Source of funding (modernization accts + maintenance accts)**
  - **Who installs or when accomplished**
  - **Size or scope**
- **All modifications, modernizations or installations that:**
  - **Are planned or accomplished in lieu of repair (e.g. AERs)**
  - **Support innovation or experiments**
  - **Support "carry-on" or "cross-decked" systems**
- **NUCALTs, SPALTs & SAPs … but...**
  - **Will be planned, scheduled, approved and accomplished by current process(es)**
    - **i.e., No change to authority or responsibility of Dir., Naval Nuclear Propulsion or Dir., SSP.**
  - **Full visibility into investments, schedules and configurations will be made available at OPNAV 3 & 4 star FM decision forums**
    - **i.e., NROC, R2B and CEBs**

FM Board shall provide formal input to OPNAV (N7, N70 N4), SYSCOM and appropriate OPNAV resource sponsor before full development of a new alteration can be funded.

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The "Fleet Modernization Plan"

- Is specific; ties each upgrade, modernization, alteration or experiment to:
  - a platform, location or system
  - an installation date, and
  - the funding for:
    - procurement, planning, installation, long-lead and initial training, spares and support
- Is comprehensive; provides visibility to all alterations & modernizations
  - e.g., D, K, K-P, ORD, MACH, TYCOM, Nuc, SP, field chgs, AERs, TMA/TMI, TOC, AFB, AFC, PPB, PPC, SEC, etc.
- Is organized to be a convenient reference / tool for:
  - 1st - BG/ARG CMDRs & TYCOMs
  - 2nd - Ship/Unit CO
  - 3rd - Fleet modernization & maintenance coordinators at waterfront
  - 4th - Installing activities
  - 5th - SYSCOMs, PEOs, PMs, SPMs, APMs, PARMs, CNET, etc.
  - 6th – OPNAV

Hierarchy of Modernization "Plans"

- **Candidate Fleet Modernization Lists**
  - » Created by FM working groups
  - » Feeder material for FM Board deliberations
- **Draft Fleet Modernization Requirement**
  - » Result of the FM Board deliberations
  - » Is prioritized; contains trade-off issues
  - » Has Fleet CINCs concurrence
  - » Forwarded to OPNAV as input to PPBS
  - » Resource sensitive; not resource constrained
- **Navy's Fleet Modernization Requirement**
  - » Result of annual Fleet Modernization NRB/NROC
  - » Resource sensitive; not resource constrained
- **Navy's Fleet Modernization Plan (Approved annually by CNO)**
  - » Result of Fleet Modernization T-POM CEB
  - » Matches Navy POM submit to OSD
  - » Resource constrained
- **Fleet Modernization - Annual Execution Plan**
  - » Results from annual Congressional appropriation/authorization
  - » Resource constrained
  - » Is developed by execution claimants and approved by FM Board
  - » Is the "current year" execution plan

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What funds are included?

- Procurement (SCN, OPN, APN, WPN, OMN, etc.)
  - systems, kits, long-lead, materials, etc.
- Associated installation & installation support funds
  - Labor, DSA, etc.
- Associated initial logistics support
  - Training, spares, tech manuals, etc.

eet Modernization = Modernization funded via procurement accounts

+

Modernization funded via maintenance accounts

FM Sponsorship

- **Resource Sponsors unchanged**
- **Requirements validated & sponsored by Fleet, N70 & N43**

N70 and N43 will need to develop a mechanism to ensure a holistic approach to modernizations that require the coordinated delivery of several related alterations which have different resource sponsors

Role of N70

- Sponsor Fleet Modernization related NRBs, NROCs, R2Bs & CEBs
- Prepare & present
  - Integrated FM BAM for NRB / NROC
  - Summary FM SPP for R2B / CEB

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Working Groups

- **Membership & processes determined by FM Board**
  - **Must include SYSCOM/PEO leads for engineering, integrating, delivering and supporting alterations. (Emphasis is horizontal integration)**
  - **Adapt / adopt current processes where success has been demonstrated**
- **Tasks:**
  - **Develop & deliver Candidate Modernization List(s) to FM Board**
  - **Develop & propose changes to the CNO approved "Fleet Modernization Plan"**
  - **Develop 1st order priced estimates for Candidate Modernization List(s)**
    - » **Pricing includes as minimum:**
      - **Planning, long lead items, kits, materials, installation labor, and initial training, spares & support**
- **Options for structure and leadership (final determination made by FM Board):**
  - **Lead TYCOMs**
  - **Battle Group CMDRs**
  - **IWARs "pillars"**
  - **SYSCOM CMDRs**
  - **Resource Sponsors**
  - **Platform PEOs**
  - **Others options?**

disconnects between wants, plans, priorities & realities are identified and quan

Ideas for Metrics

- **Relative increase in overall warfighting capability, Ao, and TOC**
  - » **Plotted against time and funds**
- **# mods/alts**
  - **planned vs accomplished**
  - **accomplished on time**
  - **accomplished in budget**
  - **fully funded / approved prior to TCD**
  - **delivered with full ILS**
- **# complaints / kudos**
- **Degree of “churn”**
- **Other ideas welcome!**

Measure the “product of the plan”.

Experiments & Prototypes

- **Can be proposed by Fleet, SYSCOM, PEO, or CNR**
  - » **Direct industry proposals must be “sponsored” before the FM Board by an Navy FM execution activity / claimant**
- **Can be added to Fleet Modernization - Annual Execution Plan “in stride”**
  - » **IAW an approval process to be determined by FM Board**
  - » **Approval process must include consideration of concerns of relevant platform manager, SYSCOMs and PEOs**
    - **Personnel, platform & equipment safety**
    - **Platform configuration, stability, suitability**
    - **Required support**
- **Must be documented in the FM-AEP before commencing installation**

Follow-on Actions

- **Fleet & SYSCOMs**
  - **Develop standard & streamlined organization and procedure for coordinating and delivering installations at the waterfront and in the ship/aircraft (e.g., single coordinating activity)**
- **OPNAV, Fleet & FMB**
  - **Develop options to provide maximum flexibility in execution in order to more easily accommodate rapid insertions and fact-of-life changes**
    - » **Explore resource/claimant options and aggregate FM funding lines**

Execution Timeline

- Oct 01
  - Fleet finalize processes for FM Board
  - Finalize processes & membership of working groups
- Apr 02
  - Fleet deliver initial “Draft Fleet Modernization Requirement”
- Oct 02
  - N4/N7 complete initial Fleet Modernization BAMs
  - N8 complete initial IWAR review of “Draft FM Requirement”
- Dec 02
  - First Fleet Modernization NRB/NROC (Result is first Navy Fleet Modernization Requirement)
- Mar 03
  - N70 completes summary of individual resource sponsor FM SPPs
- Apr 03
  - First Fleet Modernization R2B
  - Results of T-POM CEB become first annual CNO approved Navy Fleet Modernization Plan
- May 03
  - CNO approves first Fleet Modernization Plan
- Oct 03
  - Fleet issues first Fleet Modernization - Annual Execution Plan